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A CANDID
EXAMINATION
OF THE
REASONS

FOR
Depriving the EAST-INDIA COMPANY
of its CHARTER,

CONTAINED IN
“The HISTORY and MANAGEMENT of the EAST-INDIA
COMPANY, from its Commencement to the Present
Time.”

TOGETHER WITH
STRICTURES on some of the SELF-CONTRADICTIONS and
HISTORICAL ERRORS of Dr. ADAM SMITH, in his Reasons for
the Abolition of the said COMPANY.

L O N D O N,
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A

CANDID EXAMINATION, &c.

TO deliver his opinion, decently, on public affairs, is the peculiar birth-right of every British subject. — Under the sanction of this invaluable right, the author of “*The History and Management of the East-India Company, from its Commencement to the present Time,*” lately published, has represented the East-India Company as a most pernicious and impolitical institution. He has not only endeavoured to prove this by the events of its history, which he has displayed in the most odious colours of human depravity; but, in the true dictatorial tone of modern philosophy, he has given some observations on the constitution or tendency of the human passions: from whence he has concluded, that “generous principle seems excluded from the “very institution of a sovereign Corporation of Commerce;” and that “unlimited power, in the hands of a single person,” is, from the nature of things, much more safe and advantageous than the sovereign power of a Company, who, he very gravely asserts, “have no generous inducement to follow virtue.”

And, under the sacred sanction of the same invaluable inheritance of the British subject, the right of delivering one's opinion, the author of these few pages undertakes an examination of the above principles, which, to him, appear extremely rash and unfounded.

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Several

Several late authors have been of our author's opinion. Colonel Dow, in his History of Hindostan, after declaiming on the abuses of the East-India Company, proposes that the Sovereign should deprive them of their territories in the East, with which he ought to invest himself. And the *learned* and *ingenious* (as his friends call him) Dr. Adam Smith, in his "*Enquiry into the Sources of the Wealth of Nations*," has most strenuously contended for the abolition of the East-India Company, and that the Sovereign ought to be sole master of the forts and territory of British India.

"The commerce of India" (says an author whom we shall be necessitated frequently to cite) "is of most essential value to the British nation. By the Indian goods distributed over Europe, the essential balance of trade is preserved in our favour. But whether the Indian commerce should be conducted by an exclusive Company, or laid open to every adventurer, is the question of the day, ---a question of the very first importance to the British empire:" And," as the same writer *, in a few pages after, observes, "if either method be adopted upon *false* principles, the consequences will be severely felt."

With these views of the importance of our subject, the author of the History and Management of the East-India Company will most certainly agree: but his *cordial* assent to our refutation of his principles is neither expected nor valued. It is enough, if we prove, to the conviction of the *disinterested* part of the public, that our author's political Indian philosophy, in its blind terror of flying from Scylla, has foundered and dashed itself to pieces against the rocks of Charybdis; and that those very evils of which he complains, would exist in an infinitely stronger degree, in the remedy which he has proposed.

* See the Historical Introduction to Mr. Mickle's Translation of the *Lusiad*, or *Discovery of India*, an Epic Poem, from the Portuguese.

Our Historian of the East-India Company (Vol I. p. 12) thus philosophically investigates the passions and motives of the human breast :

“ Unlimited power, in the hands of a single person, may be prevented from degenerating into acts of tyranny, by the terrors of ignominy, or by personal fears. But a body of men, vested with authority, is seldom swayed by restraints of either kind. As they derive individually but little applause from their best measures, so the portion of infamy which may fall to each, for the worst public actions, is too small to affect personal character. Having, therefore, no generous inducements to follow virtue, the most sordid passions frequently lead them into vice. It is from this circumstance that the decisions of public bodies sometimes partake of that mortifying species of tyranny which is incapable of redress, and yet is beyond revenge. These observations may be applied, without the least injustice, to the actions of the India Company, both at home and abroad. Avarice, the most obstinate and hardened passion of the human mind, being the first principle of commerce, was the original bond of their union ; and humanity, justice, and even policy, gave way to the prospect or love of gain.”

And to this very ingenious disquisition our author subjoins the following, in the shape of a note :

“ Beside that want of generous principle, which seems excluded from the very institution of a sovereign Corporation of Commerce, the great distance of their administration in India secured the Company from a general inspection into their conduct, and consequently furnished ample opportunities for a wanton and untroubled exercise of power. All resistance, therefore, to their arbitrary edicts, whether they regarded their own servants, or the natives of the country, was considered as treason and punished with severity. The rulers at home had their favourites abroad, whom they protected in the most cruel and arbitrary measures by

“ their authority. Hence it happened, that private resentments and
 “ selfish views, were too frequently the only rules of their conduct ;
 “ and that their administration had scarce any other principle of union
 “ than a mutual permission to commit injustice. Even the exclusive
 “ privilege, which was thought necessary for the prosperity of their
 “ commerce, became an engine of tyranny against all those whom
 “ they considered as interlopers ; and such instances of their barbarity
 “ might be produced, supported by facts, as would excite horror.”

We well know with what a sovereign brow of contempt some of our modern philosophers look down from their lofty dictatorial chairs on the nameless crowd below : but this sovereign look, with all its terrors, shall not intimidate us from examining the opinions of the most lofty philosopher. We have heard of a game with which the sailors sometimes amuse themselves when at anchor, in fine weather. The greatest simpleton of the crew is chosen king, his brother tars enthrone him on a stool, on the head of a large butt, and with the greatest gravity pay him all homage. But, while the poor fellow looks round with the most satisfied self-importance, down he sinks plump up to the chin in the cask of water, from whence he scrambles with shame and confusion, amid the laughter of his companions, just the best way he can. And thus, also, often fall our most sagacious philosophers.

If the terrors of ignominy, and personal fears, be such wonderful preventives of the degeneracy of *unlimited* power in the hands of a single person, as our historian asserts they are, (and wisely he *sports* the assertion ; for without such *datum* his argument is good for nothing,) what must we think of the truth of history, which never yet afforded one example which authenticates his philosophy. We ~~trust~~ we may challenge our author to produce one instance where personal ~~the~~ the dagger has made one Emperor or King benevolent or just ; but we are able to produce thousands of examples of the Herods of every nation, where the personal fear of assassination has
 made

made the tyrant infinitely more cruel and vicious. Every history tells us how personal fear moats its throne round with the blood of the subjects whose vengeance it dreads. The Sovereign who is conscious of personal fears, must be conscious also of some cause for them; and never yet was there a human heart capable of giving such cause, which would trust the person offended. And, if the *delicate* terrors of ignominy, as our author's philosophy must have it, are the happy preventives of the "degeneracy of unlimited power, in the hands of a single person," whence, then, the millions of great and little Tarquins and Neros, who disgrace the annals of every people? We believe we may safely assert, the truth is, a tyrant, possessed of unlimited power, never yet cared one farthing for ignominy, while he could bid defiance to its political operation; and, from the commencement of history down to the present times, its operation has ever been found of very little consequence in the political world.

A Prince, conscious of his rectitude and upright intentions, can never be governed by the terrors of ignominy; and the tyrant, of every rank, always despises them. And shall the basest of all motives, the motives of personal fears, and the terrors of ignominy,---motives which always imply conscious guilt,---shall these be held up to the public, as the bulwarks of its safety, as the philosophical reasons why unlimited power in the hands of a single person will not degenerate into acts of injustice and tyranny!

Our historian, having thus given his philosophical reasons why arbitrary power *must be* just and humane, proceeds, in the same line, to assert, that all republics which have ever been upon the face of the earth, have been, from philosophical necessity, infinitely more prone to tyranny and injustice than the unlimited government of Kings; that republics have not even *one* generous inducement to follow virtue.

Republics!---methinks I hear the friends of our historian exclaim---Why he says not a word of Republics. --- Very true, he has not the word; but what he says of the East-India Company is strictly ap-

plicable to, and inclusive of, Republics. "A body of men," he says, "vested with authority, is seldom swayed by restraints of either kind;" the restraints of personal fear and ignominy, which he deems the most powerful motives of the best human actions: and, where sovereign power is divided among many hands, public virtue, he esteems, impossible.

But, unluckily for our historian's philosophy, the appeal to the testimony of history is extremely easy. According to his system, the subjects of the most despotic Sovereigns of ancient and modern times ought to have been the most happy beings upon earth; and the subjects of every republic, the most injured and miserable.

It would be political blasphemy, however, to mention the republics of ancient Greece, and that of virtuous Rome, in comparison with the constitution of any despotic government which has ever been established. Even the subjects of that most-degenerated of all republics, that of modern Venice, have not far to look round them to see the subjects of despotic princes infinitely more miserable and more oppressed than themselves.

Our author, having thus trampled upon the truth of history, in his philosophic reasons for the virtue and generosity of "unlimited power in the hands of a single person," immediately takes another equally glorious leap in the dark; and, by way of curing all the evils attendant on the commerce of India under the management of a Company, he prescribes that the revenue and direction of the commerce of our Eastern acquisitions should be put into the hands of whatever MINISTRY may happen to be in power. That his system strictly and unavoidably amounts to this *unconstitutional* and most dangerous measure, shall soon be demonstrated.

A strong passion for speculation and theory is the disease of the age. Our youth imbibe it at the disputing club, where generally the order of Nature is most gloriously reversed. Without the least previous acquaintance with the facts which are furnished by history and science,

science, our philosophical boys begin where they ought to end : they decide on the most abstruse subjects, in the most peremptory manner, before they pay the least attention to the constituent parts. In the blind career of this self-sufficiency, it is no wonder they often stumble : but, however ridiculous their falls may appear unto others, not a gleam of that confusion of the animal spirits, known by the name of a blush, is produced on their own happy countenances. It is enough to them if their system is allowed to be *ingenious* ; and, as truth is no care of theirs, their most egregious errors, provided they are *ingenious*, give them no concern.

And happy would it be, were this fastidious, superficial spirit confined to the walls of our *philosophical* disputing-clubs ! It is an easy matter to find fault with any system of government ; but to substitute a new mode is a most serious business, and deserves a much deeper investigation than our author seems to have bestowed upon it. From the above citations, it is evident that our author had not the least idea of any inconvenience or evil consequences attendant on his scheme, or the least doubt but that every abuse would instantly be remedied, were the management of the important commerce and transactions of India committed to the *ever pure* and *generous* hands of *whatever* Junto in power, of his Majesty's servants, would be so good and obliging as to ease his Majesty of the burthen of India affairs ;---a burthen impossible for him, singly, to bear ;---a duty impossible for him, singly, to discharge.---But, however satisfied our author may be with the wonderful and unfailling perfection of his scheme, of thus transferring the government of the affairs of India from the Company to the Crown,--- or, in plain and strict English, to the Ministry,---others there are who can foresee nothing but accumulated evils, and the grossest ~~abuse~~ in this novel arrangement.

We have already demonstrated the wild futility of our author's philosophical reasons why " unlimited power in the hands of a single person".

person" is big with the most wonderful blessings to mankind; and why power in the hands of any species of republic (for his argument reaches every such species) is necessarily attended with the most dreadful evils: we are now to examine the certain and infallible consequences of committing to the hands of Ministry (whatever such may be in any future period) the dominion of British India, and the controul of its commerce; and this enquiry we shall divide into these four heads:

First, Whether the Indian commerce can be carried on, with advantage to the nation, as a free trade, open to every adventurer, or, in other words, to associations, unconnected with each other.

Secondly, What are the consequences of the Sovereign becoming the despot of the territory and revenue of British India, and sole legislator of its commerce.

Thirdly, The consequences of a regal monopoly of trade, as clearly demonstrated by history.

And, Fourthly, Whether the military and commercial servants of a Company, or the military and commercial servants of a Monarch, are most liable to corruption, and the abuse of office, when in a distant country, with the riches of the Eastern world at their feet, and every means of bribery in their hands?

But, though these very important considerations have entirely escaped the attention of the author of the History and Management of the East-India Company, we hold them of the utmost consequence to a proper understanding of the subject before us.

To decry monopoly of every kind, is a popular argument, excellently well adapted to the conveniency of those who have never examined the peculiar circumstances of some of our branches of commerce. ~~It is necessary, before we decide in favour of a free trade with India, that we should perfectly know the peculiar circumstances and disposition of the natives, from the first arrival of the Europeans in Asia to the present time. Without this previous knowledge, it is~~
rash

rash, and even childish, to talk of the ease and advantage of a free trade with the Eastern world. But not a glimpse of this previous knowledge is to be found in the History and Management of the East-India Company, though our author begins with its origin, and was naturally led by his subject to such dissertation. Yet, though omitted by him, we are amply recompensed by another writer, who has given a clear and authentic detail of the political situation, and the views pursued by the natives, from the arrival of the Portuguese to the establishment of the Dutch and English East-India Companies.

When the Portuguese arrived in India, they found a very peculiar commonwealth in possession of the principal commerce of the Eastern world;—who “ had settlements on every convenient station, “ from Sofala to China; and, though under different governments, “ were, in reality, one great commonwealth. They clearly foresaw “ what injury their trade would sustain, were Europeans to become “ acquainted with the Asiatic seas. They exerted every fraudulent “ art, that not one man of Gama’s fleet might return to Europe : “ and, when those arts were defeated, with the most determined zeal “ they commenced hostilities.—And, to the above, let it be added, that “ the Soldan of Egypt, and the Grand Turk, for near a century, continued their most strenuous efforts for the utter expulsion of the “ Portuguese.”

In the History of Portuguese Asia, prefixed to the English Lusiad (from whence the above is quoted), we have a circumstantial detail of the transactions of the Portuguese, Moors, and Indians. The Portuguese fleet, which discovered India, was not a warlike equipment, intended for conquest; and the commander solicited a commercial alliance and treaty. But the Moors, exasperated at the interference of strangers in the Eastern seas, commenced hostilities, which they continued near a whole century with the utmost jealousy and determined perseverance; and thus “ garrisons and warlike “ fleets became absolutely necessary to the existence of a naval commerce between Europe and Asia.” The tyranny of many of the

Portuguese governors added, time after time, to the jealousy and hatred which the natives bore them ; and the total expulsion of the Europeans was, from generation to generation, the most ardent wish of India; and to effect which, they made many formidable leagues, which bathed every shore of Asia with the blood of its natives. When the Dutch and English arrived in India, the Portuguese were the masters of the commerce of the Eastern world. Though deeply fallen from the height of their former greatness, they were still formidable : they were masters of the navigation of the Indian seas ; had many fleets and garrisons ; and with true Moorish jealousy beheld the interference of European rivals. And it was by many years perseverance, and after many defeats, that the Dutch obtained any establishment in the East ; a circumstance which, perhaps, had been much longer delayed, if the Crown of Portugal had not, at that time, been under the yoke of Spain, whose attention was then engrossed by its South-American colonies.

“ Without the regular connection of a Company, under the sanction of legislative authority, the Dutch might have as rationally attempted to establish a commerce with the Moon, as with India. The Portuguese were infinitely too strong for all the unconnected attempts of all the private merchants of Europe ; and it was their interest to prevent intruders.—It was the interest of the Moors, Egyptians, and Turks, that no Europeans should navigate the Eastern seas*.” The Sultans of Constantinople well understood this, and sent many formidable armaments to assist the Indian princes in the expulsion of the Portuguese. The rich commerce of India flowed through the Turk’s dominions to Europe ; but “ the arrival of the Portuguese in the Eastern seas entirely unhinged the strongest forces of the Mohammedan power ; and the sinews of the Egyptian and Turkish strength were cut asunder by that destruction of their commerce which followed the presence of the Europeans †.” At

* See the History of Portuguese Asia, p. clxiii.

† See ditto, p. lxxxiii.

this period the warlike Porte intended to over-run Europe, " which
 ' was miserably divided in itself, and invited its own ruin; when,
 ' as it is expressed by the Abbé Reynal, the liberties of mankind
 ' were saved by the voyage of Vasco de Gama," the Portuguese
 Admiral who first discovered India.

The tyranny of the Portuguese, as already observed, had greatly increased the jealousy of the natives of India, and their hatred of foreigners, a jealousy and aversion primarily founded on the most rational and political views. It is true, indeed, that, when the English first appeared, some of the native princes received them with great cordiality, hoping that they would prove valuable allies against their tyrants the Portuguese; and true it is also, that an English Company of merchants, chartered by Elizabeth, made several voyages to India, and settled factories, without any commencement of hostilities. And, if the scheme of a free trade with India is to be enforced by an appeal to the example of history, this is the period upon which only its abettors can fix. But let them not be over-hasty; for the consequences of this very period will fully prove the absurdity and impracticability of their favourite theory. The natives, over-awed by the Portuguese, broke their most solemn treaties with the English; Sir Henry Middleton's fleet was infamously plundered; and, though he afterwards made reprisals (reprisals miserably misrepresented, as we shall afterwards prove, by the author of the History of the East-India Company), the English found that commerce with India could not be carried on without garrisons and warlike fleets: and James I. as asserted by Abbé Reynal, was too pusillanimous to assert the rights of his subjects by the force of arms. The Portuguese and Dutch commenced hostilities against the English, and their commerce with India fell into ruin; and did not revive till many years after, when it received stability and strength from the united efforts of a new-regulated Company.

But, however necessary an historical view of the political interest of the Moors, Turks, and natives, most certainly is to a proper understanding.

standing of the only possible means of commercial settlements in India, not one word, to convey one idea of the kind, is to be found in the writings of Colonel Dow, Dr. Smith, or the author of the late History of the East-India Company. All these gentlemen take it for granted, that unconnected settlers, and a free trade to India, would be the easiest thing in the world, and would do wonderfully well. Notwithstanding it is well known, that the Princes of India are as jealous as ever of European sovereignty, and that the East-India Company have every thing to fear from this deep-rooted jealousy,---every-thing which artful chicanery, perfidy, and the force of arms may effect; our philosophers, nevertheless, still continue to tell us of the ease and expediency of conducting the commerce of India in the same manner as our unconnected merchants carry on the commerce with Holland or Portugal.

According to the *ingenious* and *learned* Dr. Smith, "a free commerce with India would naturally spring up in the most beautiful order." It is true that he candidly states the objection "of the impossibility of a private merchant's capital being able to support factors and agents in the different ports of India;" but his *system* very fully answers this objection. According to his *theory*, no nation ought to attempt to trade with India, till such time as the private merchants have various capitals sufficient to enable them to conduct, according to their own choice, every branch of such commerce. "When a nation," says he, "is ripe for any great branch of trade, some merchants naturally turn their capitals towards the principal, and some towards the subordinate branches of it. If a nation, therefore, is ripe for the East-India trade, a certain portion of its capital will naturally divide itself among all the branches of that trade. Some of their merchants will find it for their interest to reside in the East-Indies, and employ their capitals there in providing goods for the ships, which are to be sent out by other merchants who reside in Europe *."

* See Enquiry into the Sources of the Wealth of Nations, Vol. II. p. 246.

And here, good reader, is not one idea of Indian jealousy and hatred of Europeans, and of the policy towards them which has all along marked the character of the natives of India. It is, according to the Doctor, as safe to settle in, and trade with India, as to take a counting-house near London-bridge, or to buy a peck of peas at Covent-Garden. But, as the author of the History of Portuguese Asia observes, " had the Portuguese, Dutch, and English, waited for " such *theoretical ripeness*," viz. of unconnected merchants, filling up, of their own accord; all the departments necessary to conduct the Indian commerce, " they had never yet set one foot in India."

" In the most favourable view," says the same author, " of such " establishment of commerce with the great world of Asia, its perfection cannot spring up in a few years, and would be always precarious. When the Moors were in force, such peaceful establishments were impossible; for they knew their *present* interest too well to listen to the promises of European speculation; and the " present character of the Indian nations gives no prophecy when " forts and garrisons will become unnecessary to the European " interests in India."

From these views of the circumstances of India, and of the interest and character of its natives, no *theory* can be more weak and visionary than that which supposes that the trade of the East may be carried on in the same safe and easy manner as that of the ports of Europe, where mutual commercial interest is fully understood and established. Beside the absolute impracticability of voluntary unconnected settlers becoming the agents for Europe in India, the consequences which a free trade with the East would have on the internal policy of Great-Britain, deserve a most serious consideration: but a view of these we reserve for the conclusion.

By the foregoing historical detail it is evident, that forts and warlike fleets have ever been, and still are, necessary to the very existence of the naval commerce of Europe with India. Having *theoretically*

proved the excellence of his scheme of voluntary, unconnected settlers in India, the *ingenious* Dr. Smith is at last aware that the necessity of garrisons may be objected to him; but this he *ingeniously* turns to his advantage. "The settlements," says he, "which different European nations have obtained in the East-Indies, if they were taken from the exclusive companies to which they at present belong, and put under the immediate protection of the Sovereign, would render this residence (i. e. of his voluntary, unconnected settlers) both *safe and easy*, at least to the merchants of the particular nations to whom those settlements belong."

And here the *ingenious* system of the author of the *Enquiry into the Sources of the Wealth of Nations* demands our attention. And, strange to tell! "Commerce," according to him, "is of very inferior consequence;" and to raise and import a revenue for the Sovereign is the very *summum bonum* of the political wisdom of colonization. He calls it a "*strange absurdity*, that the East-India Company regard the character of the Sovereign as but an appendix to that of the merchant. Their mercantile habits draw them insensibly to prefer, on all ordinary occasions, the *little and transitory* profit of the monopoly to the *great and permanent* revenue of the Sovereign." Vol. II. p. 252.

A proposal so big with the destruction of the British constitution deserves the most serious attention of every Briton. While our *theorists* expect every perfection from it, its consequences appear to others of a very different nature. "The immense power which would be added to the Crown by our dominions in the East falling immediately under its management, must be a serious consideration with every one who believes the preponderating weight which that part of the constitution already possesses; and who wishes, at the same time, to preserve the just balance. Every intelligent mind must foresee the immense additional influence that would accrue, by the command of such a number of troops, the
" admini-

“ administration of such extensive revenues, and the disposal of so many offices *.”

Another writer thus expresses himself: “ A system which would render the Sovereign the military despot of an immense and rich territory, and make him sole master of an *unconstitutional* revenue ; a revenue which, in the hands of a corrupt Ministry, would easily defeat the noblest check against arbitrary power provided by the British constitution, the right of taxation in the House of Commons.” Nor, according to the last-cited author, would such revenue be *permanent*.

“ America,” says he, “ passively submissive at the feet of a junto in power, could not, for several centuries, afford the means of corruption which India, already deeply enslaved, would freely yield, for at least a few years.”

“ In every probability for only a few years.” Here our author appeals to the example of the Portuguese, who despised commerce, and never properly availed themselves of it ; but who, after the fullest trial (for near a century together) of Dr. Smith’s plan of drawing a royal revenue from India, by their obstinate adherence to that measure, brought their native country to the deepest declension ; a declension from which, perhaps, she will never recover. “ The plan of sovereignty,” says the above writer, “ leads directly to war with the jealous natives of India. Such revenue, therefore, cannot be *permanent*.—But, were the Indian colonies as safe from the natives, as *the Doctor’s* scheme of unconnected settlers requires, and their revenue as great as his idea of perfection may possibly include, how long would he *INSURE* the *permanency* of their revenue against the interruption of a *revolt* or *rebellion*, or such Colonies themselves from a sudden and final dismemberment.—Alas ! at this present hour we feel a most melancholy proof of the difficulties and dif-

* See a masterly pamphlet, entitled Thoughts on our Acquisitions in the East-Indies.

“ appoint-

“ appointments of raising a revenue in a distant country. May God
 “ never curse Great-Britain, by fixing her views and hopes on such
 “ distant, such *little* and *transitory* support !”

And shall we grasp at a phantom in India, the pursuit of which in America has led us to the brink of destruction? Shall we consign the wealth of India to future Ministers, who *probably* may not possess the virtues of the present? And shall we be so lost in the calamities of the present war, as not to feel the chains, which some men, through the sides of India, are endeavouring to slip over our necks? No! Let us hope that the fatal imposition, however menaced, will be yet prevented.

With the greatest confidence, the *learned* and *ingenious* Dr. Smith has often appealed to the example of the Portuguese, in support of his system of a free trade with, and a royal revenue drawn from India. (Vol. II. p. 194.) — He again and again tells us, (Vol. II. pp. 242 and 248,) that the Portuguese had no exclusive Companies, and that the expedience of a free trade with India “ is *sufficiently* demonstrated by the *experience* of the Portuguese, who enjoyed almost the whole of it for more than a century together, without any “ *exclusive* Company.” (Vol. II. p. 246.) But, however it may redound to our author’s *ingenuity*, in thus impressing the Portuguese into his service, without a lawful warrant, it happens rather unluckily for his *learning*, that the Portuguese never did, from their first arrival to the present day, enjoy a free trade with India. The author of the History of Portuguese Asia has proved, by the most authentic testimonies of history, and by the copy of the commission of the Viceroys of India, and other papers transmitted to him from Portugal, that the Portuguese commerce with India ever was, and is, a *regal monopoly*, under the severest restrictions; and that the unhappy consequences of their neglect of commerce, and their *search* for a royal revenue in the East, militate, in the most conclusive manner, against the Doctor’s *ingenious* theory: nay, even the Doctor himself most pointedly reprobates

probates the idea of raising a revenue in India. How this strange self-contradiction happens, we do not pretend to explain; but, were we believers in the Pagan creed, we could only ascribe it to some draughts of the water of Lethe, taken between his writing the 252d and 415th pages of his second volume; for, certain it is, that in the former he severely upbraids the East-India Company, as guilty of a *strange absurdity*, for regarding the character of the Sovereign as but an appendix to that of the merchant, and preferring the *little* and *transitory* profit of the one, to the *great* and *permanent* revenue of the other: yet, by a most *strange absurdity* indeed, in the latter-named page, he as severely condemns the East-India Company for adopting his own ideas of cultivating a revenue. "It has made them "bad traders," he *there* says, "and has almost brought them to "bankruptcy."

Though the ingenious authors who have endeavoured to *write down* the East-India Company, have not precisely delineated the system which they would introduce in its place, yet, as it is possible they may propose to make the Sovereign, after the example of the Portuguese, not only the sole despot, but also the sole merchant of British India, we have placed this scheme in our third section of enquiries. And, happily, we need only cite Dr. Smith, in execration of this plan, who, in the following words, very undesignedly, gives a most just picture of the Indian government of his favourites, the Portuguese. Talking of the mercantile pursuits of princes, "They "have scarce ever succeeded," says the Doctor, (Vol. II. p. 414): "the profusion with which the affairs of princes are always managed, renders it almost impossible that they should. The agents "of a prince regard the wealth of their master as inexhaustible; are "careless at what price they buy; are careless at what price they "sell; are careless at what expence they transport his goods from "one place to another. Those agents frequently live with the profusion, "of princes; and sometimes, too, in spite of that profusion,

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" and .

“ and by a proper method of making up their accounts, acquire the
“ fortunes of princes.”

But, though the *mercantile* servants of princes are such vultures, the military and custom-house officers of a king, according to our author's system, are all honesty and virtue; for from them our author and his coadjutors most cordially expect the reformation of every abuse which has ever existed in the management of the affairs of the East-India Company. The extreme cordiality with which they suppose this perfection, is highly remarkable; but their most ridiculous mishap in foundering on Charybdis, on purpose to avoid their bugbear Scylla, is as highly remarkable, and, in every view, most completely laughable.

We shall claim no merit in pointing out this most self-evident of all absurdities; the business is already done to our hands. We have only to lay a few citations before our readers, who from thence will be perfectly able to judge for themselves.

Among the dreadful evils which arise from the abuses committed by the servants of the Dutch and English East-India Companies, Dr. Smith (Vol. II. p. 250,) places the following, as one of the greatest: “ It has not been uncommon,” says he, “ I am well assured, for the *chief*, that is, the *first* clerk of a factory, to order a “ peasant to plough up a rich field of poppies, and sow it with rice, “ or some other grain. The pretence was, to prevent a scarcity “ of provisions; but the real reason to give the chief an opportunity of selling at a better price, a large quantity of opium, “ which he happened then to have upon hand. Upon other occasions the order has been reversed, and a rich field of rice or other “ grain has been ploughed up, in order to make room for a plantation of poppies.”

Dr. Smith says, that it is *completely foolish* to expect that the servants of a Company would not abuse their trust, and assume unlawful authority. The author of the History of Portuguese Asia thus combats the Doctor's arguments :

“ Monopoly,

“ Monopoly, says the *Doctor*, is the interest of a Company and its
 “ servants. A free trade and revenue is the interest of a Sovereign.
 “ But does it follow, as our author’s argument implies, that such is
 “ the interest of his servants also? By no means. We may well
 “ enquire, what is that wonderful virtue, essential to our author’s ar-
 “ gument, which is conferred by the royal commission; that virtue
 “ which would correct all the selfish passions which influence the
 “ clerks of a counting-house, and would save the poppies and the
 “ rice of Bengal from an untimely plough? If the territory of Bri-
 “ tish India is to be the King’s, he must have men in office to ma-
 “ nage it under him; and these will have their private interest to
 “ serve, as well as the officers of a Company. Whence, then, are we
 “ to expect their superior virtue? Not, surely, from their greater
 “ opportunities of extortion, and of avoiding enquiry.—But we shall
 “ here adopt a sentence from our author, (Vol. II. p. 253,) only
 “ substituting the word *King* where he writes *Counting-House*:

“ Nothing can be more *completely foolish* than to expect that
 “ the clerks of a great King, at *ten thousand miles distance*, and
 “ consequently *almost quite out of sight*, should, upon a simple
 “ order from their master, give up, at once, doing any sort of
 “ business upon their own account, abandon forever all hopes of
 “ making a fortune, of which they have the means in their
 “ hands, and content themselves with the moderate salaries
 “ which their master allows them.”

And indeed nothing can be more *completely foolish* than to expect
 the reformation of the abuses of the affairs of India from the servants
 of the best of Kings. The author of the *History of Portuguese*
Asia thus continues his arguments:

“ The superior opportunities of extortion and rapine enjoyed by
 “ the military governors of a very distant and rich country, are self-
 “ evident,

“ evident. The clerks of a crown-office have infinitely better opportunities of evading detection, and of amassing perquisites, than those of a Company. Our author has already been cited to explain how the servants of a prince abuse their trust. “ *It is perfectly indifferent*, says he, (Vol. II. p. 255,) *to the servants of the India Company*, when they have carried their whole fortune with them, *if, the day after they left it, the whole country was swallowed up by an earthquake*.—And, in the name of God, will not such disaster be equally indifferent to a royal general, or a royal custom-house officer, whenever he finds it convenient to retire from India?”

It is, indeed, truly astonishing, that our authors, who have been so clamorous against the abuses of the East-India Company, should never have perceived, that “ all the artillery of arguments, drawn from the abuses committed by the servants of a Company, may thus, with accumulated force, be turned against the servants of a prince:” ---that they never perceived the most essential difference between a free trade with the ports of Europe, and a free trade with remote nations, whose ideas and civil policy are most essentially different from those of Europe, and where an infinitely greater capital is required. It is a certain fact, that the Levant trade has been ruined by laying it open. Sir James Porter has clearly explained the reasons of this declension ; reasons (*see Appendix*) which are exactly applicable, were the same measures adopted in the management of the commerce of India. And, were a free trade with India as prosperous as our *theorists* can possibly suppose it, would the *national* advantages be equal to those which at present arise from the Company? By no means. A free importation of the woven manufactures of India, which are now under restriction, would greatly injure our own manufacturers, who will never be persuaded to adopt Dr. Smith’s *theoretical plan*, of turning their hands, with equal advantage, to some other business or trade.

trade *. The East-India Company pay a revenue nearly equal to the land-tax of England; and it is a most important question, whether this valuable revenue would be increased or diminished by laying open the commerce of India. "Were this allowed," says the author of the History of Portuguese Asia, "what an army of custom-house officers must there be in waiting at every port of the kingdom? For who knows what port a vessel from India, once in seven years, may chuse to enter? What a door for smuggling the luxuries of India would this open! and, we need not add, what a diminution of revenue!

"Besides the great revenue which it pays, the East-India Company forms one of the most active sinews of the state. Public funds are peculiar to England: the credit and interest of the nation depend upon their support; and the East-India Company is not the least of these. It has often supported Government with immense loans; and its continuance includes the promise of future support on the like emergencies."

We have already observed, that Dr. Smith's *theory* decries the value of commerce, and that the *importation* of a foreign revenue

* Of all the Doctor's *fine speculations*, the idea that any number of men may change their business or trade, without the least disadvantage to themselves or the community, is certainly the most wild and extravagant. He found that his *theories* required such a *datum*, and he has often very gravely *sported* it, in the most confident manner. A note, by the author of the History of Portuguese Asia, shall be here cited:

"Some people are apt to apprehend the greatest inconveniency from setting a number of artificers adrift, in search of new employment; but this is nothing, according to our author (*the Doctor*), who tells us that 100,000 soldiers and seamen, discharged at the last peace, immediately found employment. Very true; for the labourer took to his spade, the taylor to his needle, the shoemaker to his awl, and the seaman to the merchant-service; but, were only 10,000 weavers thrown out of employ, the case would be widely altered. But the certainty of finding an *unknown* employment, fully as advantageous as the branch *perfectly known*, forms a part of our author's system. It was a *filly notion*, he tells us, (Vol. II. p. 136,) to defend Portugal last war, for the sake of its trade. Had that trade been lost, says he, it would *only* have thrown the Portuguese merchants out of business for a year or two, till they found out as good a method of employing their capitals. Some politicians have thought, the more channels of commerce, the more success; but our author does not care how many we shut up, for this good reason, new ones are *sure* to be found. But this is like knocking a man down, because he is *sure* to get up again."

ought to be the great object of legislation ; we have pointed out the impracticability of a free trade with Asia, and the alarming and fatal consequences of vesting in the Crown the territorial revenue of India ; we shall now conclude with the following citations :

“ If properly watched and defended, if not sacrificed to the
 “ dreams and dotage of theory, the grand machine of her commerce
 “ will ever render Great-Britain both prosperous and formidable.
 “ In this grand machine the East-India Company forms a principal
 “ wheel. The *concentered* support which it gives to the public
 “ credit ; the vast and most rational *home-tax* which its imported
 “ luxuries afford, a tax which forms a *constitutional* source of
 “ revenue, ever in our own hands, never to be affected by the politics
 “ of distant colonies ; the population which it gives to the *mother*
 “ *country*, by the domestic industry employed upon the staple com-
 “ modities which it exports ; and the essential balance of trade,
 “ given and secured by the exportation of its imports, are the great
 “ and permanent consequences of the commercial system ; conse-
 “ quences which can never arise from the importation of the greatest
 “ revenue.

“ Every institution, relative to man, is not only liable to corruption,
 “ but, such is the imperfection of human nature, is sure to be cor-
 “ rupted. Both the servants of a Company, and the officers of a
 “ King, are liable to the influence of self-interest. But the Monarch's
 “ ear is hard of access, and often guarded ; and the regulations of a
 “ regal monopoly, or despotic revenue, are variable at his will. Ap-
 “ peal here must be hopeless. But, under a Company, governed
 “ by fixed institutions, there exists not only a legal claim of redress,
 “ but a legal right of opposition. If errors and corruption, there-
 “ fore, be natural to every system of human government, let the
 “ system most open to inspection and correction be preserved, and
 “ let its errors and corruptions be corrected. And happily the Bri-
 “ tish Parliament is possessed of the power of such inspection and
 “ correction

“ correction ; and happily, also, such is the very reverse of a regal
 “ power to raise a foreign revenue, this parliamentary power is
 “ *constitutional.*”

Nor can we take leave of the author of “ *The History and Management of the East-India Company, from its Origin to the Present Times,*” without one other remark. The servants of the Company, according to him, have ever and uniformly been the most rapacious tyrants and pirates who ever disgraced human nature. It is not our intention to write a volume larger than his own (for larger such must be) in order to refute all his historical misrepresentations ; one, however, the very first in his book, must not escape our attention. Talking of the first voyages made from England, he has these words :

“ This ship, together with two others of considerable burden,
 “ under the conduct of Sir Henry Middleton, sailed for Surat ; where
 “ the jealousy of the Portuguese frustrated the intention of the
 “ voyage. Middleton made up for his loss in trade by a species of
 “ piracy. He seized some rich ships belonging to the Portuguese,
 “ on the coast of Malabar ; and, steering his course to the Red Sea,
 “ plundered the trade of Mocha, under the pretence of procuring
 “ satisfaction for damages he had formerly sustained at that place.”
 P. 6, V. I.

But the truth is, Middleton made a commercial treaty with the Moguls, which was infamously broken by the latter, through the intrigues of the Portuguese. His ships were afterwards plundered by the Moors at Mocha ; eight of his men were killed ; and he himself, with about thirty-five of his crew, was carried in irons across the country. He afterwards retaliated these injuries by a capture of some of the ships of the powers who had so perfidiously attacked him. Yet, though by the law of nature and nations he would have been justifiable, had he made reprisals to every degree in his power, he nevertheless acted in a very different manner. He appealed, indeed, to the force of arms ; but he did not act as a pirate. He seized some
 Mogul

Mogul vessels near Aden ; but he merely indemnified himself on the strictest calculation, professing that he only desired an equitable commerce.

These are the facts, as asserted by Purchas, and every contemporary writer both of voyages and of *official* letters. It was reserved for our author to sink the perfidious injuries received by Middleton, and to call his complaining of them a *pretence*, and his just, but most moderate retaliation, *a species of piracy*. What an index, what a master-key does such colouring afford to every other abusive historical trait contained in the works of our *ingenious* and *candid* author !



A P P E N D I X.

THE Public, it is presumed, will be gratified with the following extracts from Sir James Porter's Account of the Levant Trade ; a gentleman whose long residence as Ambassador at Constantinople enabled him to judge with the greatest precision on the causes of the decay of the Turkey commerce. The same clamours which are now raised against the *exclusive charter* of the East-India Company, were, according to the following undisputable reasons, the causes of the declension of the valuable Levant trade : and, as they reflect a picture of the times in more lights than one, we hope they will not be deemed an improper appendix to the foregoing pages.

“ IT was not the dread of war alone that gave it the first fatal
“ blow, but an unhappy, ill-judged regulation at home, which pro-
“ duced many ill consequences. An eminent citizen, who received
“ as much hearsay information as any man in the kingdom, and who
“ was listened to like an oracle in Parliament, laid it down as a
“ maxim, that all Companies were pernicious, and should be de-
“ stroyed.

“ Unfortunately he considered the Levant Society, which traded
“ without any joint stock, as one of these. His sentiments were
“ zealously adopted by other considerable persons, who, no doubt,
“ had different views. The motive by which they seemed to have
“ been chiefly actuated, was a desire to displace the Prime Minister ;
“ they thought he had too long possessed his exalted dignity, and
“ seemed to repine at his prosperity. Having formed this design,
“ they apprehended that the first step towards carrying it into exe-
“ cution, was to deprive him of the support of the trading Com-
“ panies ;

“ panies ; and took it for granted, that, when they had thus sapped
 “ the foundations of his power, it would be an easy matter to wrest
 “ it from him, and get it into their own hands.

“ The Turkey merchants at that time formed the most opulent
 “ and respectable body of men in the city : this, of course, rendered
 “ them objects of envy. As they ingenuously acknowledged the
 “ decline of their trade, idleness and want of industry, the natural
 “ consequences of affluence and ease, were laid to their charge. It
 “ was therefore urged that this trade should be put into the hands
 “ of more industrious men, that they might revive and restore to
 “ a flourishing condition a branch which the others had monopolized, and then suffered to run to decay. In consequence of
 “ these general and repeated outcries, the Levant Company was
 “ doomed to fall the first victim. So powerful were its enemies,
 “ that the total ruin of the Society seemed to be at hand ; but they
 “ could not compass the chief point which they had in view,
 “ namely, that of entirely destroying their charter. The Parliament
 “ soon perceived that neither themselves nor Government could
 “ support a branch of trade, which those, whose immediate interest
 “ it was to preserve it, were ready to throw up. The batteries
 “ against these were therefore changed, and a resolution formed to
 “ introduce some alteration in their charter and their bye-laws,
 “ especially to that of annual ships, which seemed to be the greatest
 “ abuse, and to furnish the most specious pretext for opposing the
 “ Society. 39 7 14 .

“ It was asserted, that such a limitation was highly prejudicial
 “ to navigation, prevented the employing of ships, and obstructed
 “ the increase of seamen. This objection appeared to Parliament
 “ to be so just and solid, that a resolution was quickly formed to
 “ permit every member of the Company in the Levant trade to
 “ send ships at whatever time of the year they thought proper.
 “ The best-meaning men in Parliament were hurried along by the
 “ torrent

“ torrent of prejudice, the utmost art having been used by designing
 “ persons to prepossess their minds, and draw them in to second
 “ their ill intentions. They would not open their eyes to a self-
 “ evident truth; namely, that no advantage, in the monopolizing
 “ way, could be derived by individuals from these annual ships; and
 “ that the Company in general was still less able to avail itself of
 “ them, as the members were generally at variance, and divided
 “ amongst themselves. They would not reflect, that, in order to
 “ promote navigation, goods and merchandize must find a currency
 “ and vent abroad; that the very extension of navigation they had
 “ resolved upon, was an effectual method to prevent the sales of
 “ cloth in Turkey; and that, of consequence, they contributed to
 “ ruin both trade and navigation.” P. 370.

“ One of these regulations was proposed in Parliament, under
 “ the specious pretence of public good, like the former, though it
 “ was evident only private views were intended. The outcry on this
 “ occasion, as well as in part on the former, was founded upon that
 “ odious word, Monopoly: it was urged, that this Levant Com-
 “ pany, or, rather, no Company, continued to foster that monster;
 “ that their charter, confined to citizens and noblemen’s younger
 “ sons, cramped all industry, prevented the honest and industrious
 “ citizen and trader in every other town, and all his Majesty’s sub-
 “ jects in general, from trading to the Levant.

“ Bristol, as the next city for commerce to London, was of course
 “ concerned in the affair; for this bustle was excited merely on her
 “ account: a law, however, was proposed in Parliament, with re-
 “ gard to all the out-ports, and, in general, that all subjects of Great-
 “ Britain, and even naturalized persons, should have the freedom of
 “ that Company, on paying 20l. sterling.

“ The fact is, that the Levant Company could not admit, on a legal
 “ construction of their charter, any English subject to the freedom
 “ of that Society. The best counsel had been consulted, but the
 “ opinions

“ opinions of none but parliamentary counsel were attended to : the
 “ kingdom was alarmed ; and so the law passed in Parliament.
 “ Consequences were as little foreseen in the present, as in the for-
 “ mer case ; the matter was specious, and that was sufficient : they
 “ never once took it into consideration what capitals were necessary
 “ to carry on the Levant trade ; nor whether any man that was
 “ able to pay the 20l. had a sufficient fortune to support the acci-
 “ dents and delays attending that branch of commerce. The old
 “ Turkey merchants might have told them, as I take it for granted
 “ they did, that very considerable capitals were requisite for carrying
 “ on that trade, as they were often under a necessity of waiting two
 “ or three years for the returns of their merchandize : that, as cre-
 “ dits were already extended in Turkey, they might encrease enor-
 “ mously, whence those who were distressed for money, must be
 “ obliged to force sales, or barter at any rate : that, when they im-
 “ ported merchandize into England, they must press sales for money
 “ at profit or loss, and therefore such merchants as engaged in that
 “ trade, should be persons who could wait patiently the currency of
 “ market for sales or returns, and be satisfied with five or six per
 “ cent. the year, for their money, as was the case of those who
 “ were actually concerned in carrying on and supporting that
 “ commerce.

“ The old merchants had continued, with restrictions and caution,
 “ to ship goods for Turkey, for the sake of their friends, the factors
 “ abroad, ever since the year 1744, but, upon the passing of this law,
 “ many of them quitted the trade entirely, and left it to the new
 “ adventurers ; so that but few of them continue it to this day, as I
 “ have been credibly informed. The succeeding merchants will not
 “ venture large sums ; nor, if they can avoid it, will they expose
 “ themselves to wait eternally for returns, or let their money lie in
 “ the precarious hands of drapers in Turkey, under great difficulties.
 “ Besides these considerations, others should have occurred ; for
 “ instance,

“ instance, granting that any of the merchants at the sea-port towns
 “ could find cloth and other commodities fit to ship for Turkey, even
 “ cheaper than in London, whether they could dress, dye, and
 “ prepare their cloth for that market? But facts speak for them-
 “ selves. What has this mighty extension of navigation and com-
 “ merce produced? For these twenty-six years past the trade has
 “ been carried on by four or five small ships annually, instead of two
 “ or three large ones; consequently there has been no increase of
 “ seamen. For these sixteen years past we have had two new
 “ members of the Turkey Company, one from Bristol and the other
 “ from Halifax, who, as far as I have heard, never sent a single bale
 “ of cloth to Turkey.” P. 378.

As we have charged Dr. Smith with self-contradiction, and very strange inconsistency, it may not be improper to add the following most extraordinary instances. The Doctor thus *most inconsistently* states the benefits received by America from the mother country :

“ In what way, therefore, has the policy of Europe contributed
 “ either to the first establishment, or to the present grandeur of the
 “ Colonies of America? In one way, and in one way only, it has
 “ contributed a good deal. *Magna virum mater!* It bred and
 “ formed the men who were capable of achieving such great actions,
 “ and of laying the foundation of so great an empire; and there is
 “ no other quarter of the world of which the policy is capable of
 “ forming, or has ever actually and in fact formed such men. The
 “ Colonies owe to the policy of Europe the education and great views
 “ of their active and enterprising founders, and some of the greatest
 “ and most important of them owe to it scarce any thing else.”
 Vol. II. p. 189.

Yet, though the Doctor so confidently asserts that it was *only in one way* that America owed any obligation to the mother countries, he very fully contradicts himself in the following words :

I

“ It

“ It is not contrary to justice that both Ireland and America
 “ should contribute towards the discharge of the public debt of
 “ Great-Britain. That debt has been contracted in support of the
 “ government established by the Revolution ; a government to which
 “ the Protestants of Ireland owe not only the whole authority which
 “ they at present enjoy in their own country, but every security
 “ which they possess, for their liberty, their property, and their
 “ religion ; a government to which several of the Colonies of Ame-
 “ rica owe the liberty, security, and property, which they have
 “ ever since enjoyed. That public debt has been contracted in the
 “ defence, not of Great-Britain alone, but of all the different pro-
 “ vinces of the empire : the immense debt contracted in the late
 “ war, in particular, and a great part of that contracted in the war
 “ before, were both properly contracted in defence of America.”
 Vol. II. p. 583.

In the former sentence, nothing but the *negative* merit of having educated her founders, had ever been done by any nation of Europe for the American world : but, in the latter sentence, things are changed indeed ! Such want of memory in a *great philosopher* is truly extraordinary ; nor is some of the reasoning less wonderful. For example, take the following fair application of the touchstone :

It is not contrary to justice that *Holland* should contribute towards the discharge of the public debt of Great-Britain : that debt has been contracted in support of the government established by *Queen Elizabeth* ; a government to which the Dutch owe every-thing, &c. &c. *as above.*

F I N I S.

